

Article - Real Property

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§7–102.

(a) (1) No mortgage or deed of trust may be a lien or charge on any property for any principal sum of money in excess of the aggregate principal sum appearing on the face of the mortgage or deed of trust and expressed to be secured by it, without regard to whether or when advanced or readvanced.

(2) Paragraph (1) of this subsection does not apply to a mortgage or deed of trust to:

(i) Guarantee the party secured against loss from being an obligee of a third party;

(ii) Indemnify the party secured against loss from being an endorser, guarantor, or surety; or

(iii) Secure a guarantee or indemnity agreement.

(b) If after the date of the mortgage or deed of trust, any sum of money is advanced or readvanced, any endorsement or guaranty is made, or the liability under an indemnity agreement arises, priority for such sum of money or for any indemnity arising under the endorsement, or guaranty, or indemnity agreement dates from the date of the mortgage or deed of trust as against the rights of intervening purchasers, mortgagees, trustees under deeds of trust, or lien creditors, regardless of whether the advance, readvance, endorsement, or guaranty was obligatory or voluntary under the terms of the mortgage or deed of trust.

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